WHITE HOUSE UNJUST FIRINGS/Gas Tax, Minimum Wage, Team Act

SUBJECT:

Reimbursement of Former White House Travel Office Employees . . . H.R. 2937. Dole motion to close debate on the Dole amendment No. 3960 to the Dole amendment No. 3955 to the Dole motion to refer with instructions.

ACTION: CLOTURE MOTION REJECTED, 52-44

SYNOPSIS: As introduced, H.R. 2937, a bill to reimburse former White House travel office employees who were

wrongfully terminated by the Clinton Administration, will direct the Secretary of the Treasury to reimburse the seven employees who were wrongfully terminated for the legal fees they incurred with respect to their termination. The Congressional Budget Office estimates the total cost of this bill to be \$500,000.

The Dole motion to refer the bill to the Judiciary Committee with instructions would direct the Committee to report the bill back forthwith.

The Dole amendment to the motion to refer with instructions would amend the effective date of the bill.

The Dole second-degree amendment to the Dole amendment would repeal the 4.3 cent gas tax imposed by Democrats in 1993, would pass the TEAM Act, and would raise the minimum wage by 90 cents. Details are provided below.

Gas tax repeal:

- the repeal would be effective upon enactment of this Act;
- a report would be prepared by September 30, 1996 on whether the savings were passed through to consumers;
- certain specified bands of spectrum would be auctioned to offset the costs of the gas tax repeal; and
- it is the sense of Congress that the savings should be passed through to consumers.

TEAM Act:

• the National Labor Relations Act (NLRB) would be amended to provide "That it shall not constitute or be evidence of an unfair labor practice to establish, assist, maintain, or participate in any organization or entity of any kind, in which employees participate to address matters of mutual interest (including issues of quality, productivity, and efficiency) and which does not have, claim, or

(See other side)

YEAS (52)			NAYS (44)			NOT VOTING (4)	
Republicans Democrats (52 or 98%) (0 or 0%)		Republicans (1 or 2%)	Democrats (43 or 100%)		Republicans (0)	Democrats (4)	
							Abraham Ashcroft Bennett Bond Brown Burns Chafee Coats Cochran Cohen Coverdell Craig D'Amato DeWine Dole Domenici Faircloth Frist Gorton Gramm Grams Grassley Gregg Hatch Hatfield Helms

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seek authority to negotiate or enter into collective bargaining agreements under this Act with the employer or to amend existing collective bargaining agreements between the employer and any labor organization."

Minimum wage:

• the minimum wage would be raised to \$4.25 an hour through July 3, 1996, to \$4.70 an hour from July 4, 1996 through July 3, 1997, and to \$5.15 an hour thereafter.

On May 8, 1996, Senator Dole sent to the desk, for himself and others, a motion to close debate on the bill. The vote was held on the motion on May 9 by unanimous consent.

NOTE: A three-fifths majority vote is required to close debate. Also pending at the time of the vote were a Dole substitute amendment, a Dole first-degree substitute amendment to the Dole amendment, and a Dole second-degree substitute amendment to the Dole first-degree amendment. The pending amendments made minor changes to the effective date of the bill, and filled all parliamentary openings for offering amendments. Following the vote, the amendment was withdrawn.

Those favoring the motion to invoke cloture contended:

For the past couple of weeks we have listened to Democrats complain that all they want is an up-or-down vote on the minimum wage. They have said with wounded innocence that when they were in the majority they were always so delighted to consider and vote on any issue that the Republicans brought up. This claim is absurdly false. Whether by filling up amendment trees, by filing cloture on a bill and then taking it off the floor until it was time for the cloture vote, or by filing second-degree amendments to gut Republican first-degree amendments, Democrats were never solicitous of minority views. Now that they are in the minority, they have been stricken with a remarkable case of group amnesia. Further, in their new minority role, they have continued to do their utmost to block votes. Virtually every bill great and small that has reached the floor has been subject to a Democratic filibuster. For instance, we would like to get an up-or-down vote on the regulatory reform bill in order to reduce the \$6,600 yearly regulatory burden that is placed on each family in America, but Democrats continue to vote against cloture. On some issues, Republicans have been prevented from getting up-or-down votes this year, last year, and for many years previously. Some of the rolling filibusters that Democrats have conducted have lasted for decades, such as their filibuster on product liability reform (which we finally broke this year, only to have the bill killed by President Clinton's veto).

Though turn-about would be fair play, we Republicans are not intent on denying Democrats an up-or-down vote. We have instead offered the Dole amendment to give them their vote on the condition that we in the majority party will get up-or-down votes on two issues that are of concern to us. The first part of the Dole amendment would repeal the Democrats' 4.3 cent gas tax. The second part would enact the TEAM Act, which basically overturns an extreme NLRB ruling against worker-management teams that are set up to improve operations. The third part would enact an increase in the minimum wage. Democrats objected that they did not want to vote on these three issues together. The Majority Leader then suggested that we have three separate, up-or-down votes on them. Democrats again objected. Democrats, as the party in the minority, believe that they should have an up-or-down vote on the minimum wage, but they do not want to have such a vote on the TEAM Act or on the gas tax repeal. Apparently, what Democrats think is fair is that Democrats should get to vote up-or-down on anything they want, without amendment, and Republicans should not be allowed to have any up-or-down votes on matters of interest to them.

The 4.3 cent gas tax should never have been passed, and under present circumstances its repeal is urgent. In 1993, without a single Republican vote in either House of Congress, President Clinton and congressional Democrats passed the largest tax hike in history (\$270 billion over 5 years, and \$400 billion over 7 years). Part of that tax hike was the 4.3 cent per gallon (\$5 billion per year) increase in the gas tax. None of the money raised by that tax hike goes into the transportation trust funds. For the first time ever, a permanent tax has been placed on gas that did not use the revenues raised for transportation projects. When President Clinton was still candidate Clinton, he wrote in his campaign book "Putting People First" that "I oppose Federal excise gas taxes." He also criticized his Democratic opponent Paul Tsongas' proposed gas tax by saying: "It sticks it to the lower income and middle-income retired people in the country, and it is wrong." As usual, we find ourselves in a lot more agreement with candidate Clinton than with President Clinton. Unfortunately, as soon as he was President he proposed massive increases in energy taxes, and only after a bitter battle were Republicans able to cut him down to "only" a \$5 billion gas tax hike. The truth is that candidate Clinton was right--the gas tax is enormously unfair to lower income people. In fact, they spend 7 percent of their wages on gasoline. For people in Western States and rural areas, the problem is greater because they have further distances to drive and thus use more gas. Making matters much worse, the price of gas has skyrocketed in recent weeks. There are numerous reasons for that rise, but it is indisputable that the Democrats' 4.3 cent gas tax has made the price higher. Republicans strongly favor the gas tax repeal, some Democrats have said they would support its repeal, and President Clinton has said he would sign its repeal. Only a minority of Democrats are standing in the way of this tax relief that average Americans deserve and need. We do not think it is unreasonable to pass this repeal along with an increase in the minimum wage.

The second part of the Dole amendment would enact the TEAM Act. The TEAM Act is necessary to allow American companies to be managed using modern principles. In the 1930s, America set up a basically adversarial business relationship between management on the one hand and unions on the other. After World War II, academics in America noted that this relationship harmed

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efficiency and effectiveness. They developed alternative business models in which workers and managers worked in cooperation together for their mutual benefit. Unfortunately, American businesses did not listen, and Japanese and European businesses did. Japan especially took those models to heart, and American industries, such as the auto industry, were nearly destroyed. Finally, American companies have seen the light, and worker-manager teams have become common. The people working on the assembly lines are very familiar with the products they make and the processes used in the manufacture of those products, so their suggestions for improvements have greatly enhanced American productivity. American businesses are again the most productive in the world.

That productivity is threatened due to recent rulings by the NLRB, which has become radicalized under President Clinton's tenure. The board has issued a series of rulings that have left businesses in doubt as to what types of meetings they are allowed to hold with their employees. Since the 1930s it has been illegal for companies to pick employees to negotiate with over the terms of employment for all employees. The purpose of the law is to prevent companies from setting up sham unions for collective bargaining. The NLRB, though, has said that the law also prevents workers and employees from ever discussing certain issues, such as health and safety issues. Amazingly, if a company sets up meetings with employees in an effort to fix safety problems that the employees have identified, such as the need for special protective equipment for pregnant workers, it will be hit with massive fines by the NLRB. For 60 years no one thought that it was against the law to work with employees to make businesses more productive, safe, and efficient, but now no one is sure. We need to pass the TEAM Act to make it clear that these types of meetings that have revived America's competitiveness are legal. Under the NLRB's rulings, only unionized workers (who comprise just 11 percent of the private-sector workforce) have complete freedom to talk to managers. They alone are allowed to talk about health, safety, and other issues. We do not think that unionized companies are the only companies that should be allowed to be competitive, so we support the TEAM Act.

The final issue addressed by the Dole amendment is the minimum wage. Basically, the Dole amendment would enact exactly the raise that Democrats (and some Republicans) have been demanding. We have debated this issue before, so we really do not need to go over the same arguments again. We only note that though many Members on this side of the aisle think that passing an increase in the minimum wage will be disastrous for everyone except the unions, and will be especially disastrous for low-income Americans, we are willing to move the measure forward. The only reason we are stalled now is because the minority party, as usual, is not willing to extend the same courtesy. As usual, they are filibustering. Under the Senate rules, they have that right. For our part, we will vote to invoke cloture, and if it is invoked we will do nothing to delay separate votes on any of the three issues addressed by the Dole amendment.

Those opposing the motion to invoke cloture contended:

Our Republican colleagues are continuing to play games. They have now tied the minimum wage bill to two controversial items. First, they have added the TEAM Act. The TEAM Act will further weaken unions in America, which are already extremely weak. In most of the industrialized world, most workers are unionized, but in America only 11 percent of private-sector employees are in unions. Without collective bargaining strength, management ends up with too much power. Workers then are forced to work longer hours, are more at risk of being arbitrarily fired, lose benefits, and work under more dangerous conditions. Without unions, the United States is becoming stratified, and average working families are under a great deal of stress. In the 1930s, when unions were gaining strength, many employers set up sham unions. They would pick the employees with whom they would negotiate. These unions were similar to the type of official unions that were found throughout the former Soviet empire, before an independent trade unionist in Poland, Lech Walesa, started the protests that eventually led to the disintegration of that empire. In recent years, companies in America have expanded worker-management groups. In some cases, they have improperly expanded those groups to discuss issues that should be left to collective bargaining, such as working conditions. The NLRB has rightly issued rulings against discussing collective bargaining issues. If we pass the TEAM Act we will essentially be allowing companies to set up sham unions to discuss everything short of wages. Unions will be further weakened, managers will get richer, and workers will get poorer. We oppose that result, and thus oppose the TEAM Act. President Clinton agrees, and will veto this bill if the TEAM Act is attached. Our colleagues know this fact, yet still they have offered this amendment.

The other offensive provision our Republican colleagues have attached to this bill is the repeal of the 4.3 cent gas tax increase. At a time when nearly all Senators admit that our country's first priority should be to balance the budget, it is utterly foolhardy to move us \$5 billion per year away from that goal by repealing this tax. We do not like imposing this tax or any other tax, but taxes must be collected if the Government is going to provide the services that the American people want and need, such as educational funding, environmental protection, Medicare, and Medicaid. Also, taxes are going to have to be increased, not cut, if we are going to continue to reduce the deficit. The gas tax is not a great burden for the American people. Most of the rest of the world imposes several times the tax on gas that America does. Further, even with the sharp recent rise in gas prices that has occurred, and even with the 4.3 cent increase in the gas tax, gas in America is still cheaper in real terms than it usually has been in the past several decades.

When we Democrats were in the majority, we well remember having caucuses to discuss Republican amendments that we knew were going to be offered and on which we would rather have not voted. We often discussed our strategies, but we did not, on bill after bill, try to prevent Republicans from ever getting a chance to vote. Our Republican colleagues should show us the same VOTE NO. 111 MAY 9, 1996

consideration. We urge them to stop these games--they should let us have a vote, up-or-down, on our minimum wage amendment, without attaching any extraneous, objectionable issues. Until they do, we will oppose cloture.